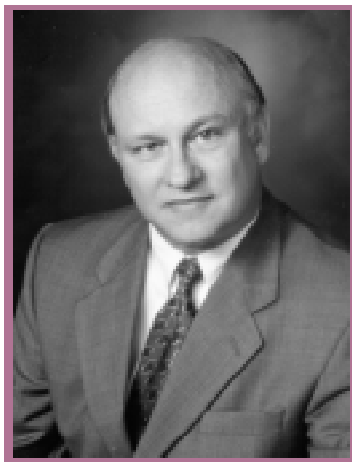


California Board of Accountancy

Spring 1999 ★ Issue No. 41



H. E. Mikkelsen, CPA
President

President's Message

As we progress toward what will be the final year of the 20th Century, it is an astonishing thought that the California Board of Accountancy has been a regulatory entity for every year of this century except one. Created in 1901, from the beginning, this Board has been charged by statute with regulating the practice of accountants upon whom the public can rely to be competent. The original law prohibited any person from falsely claiming to be a certified public accountant, a prohibition which exists today. And while the mission and mandate of consumer protection have been in place since this Board's inception, we can say

almost to a certainty that very few people, if any, envisioned the evolution of the business and regulatory environments as they exist today. Then, when we consider the evolution of business tools in this century, it's difficult to fathom conducting business without computers, copy machines, faxes, and e-mail. But, amazingly, in the recent past, work was very well accomplished without these tools.

Now, in 1999, as we review our regulatory responsibilities, we know that technology will continue to radically alter the methods by which we communicate with consumers, licensees, and CPA applicants. We also know that electronic commerce will continue to have its effect upon the way public accountants conduct their business. What is not yet known is how the regulation of the profession will ultimately be affected by so-called "e-commerce." That is one of the most formidable tasks before this Board,

(Please see President's Message, continued on page 2)

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Mission Statement

The mission of the Board of Accountancy is to protect the public welfare by ensuring that only qualified persons are licensed and that appropriate standards of competency and practice are established and enforced.

President's Message, continued from page 1

indeed of all the boards of accountancy nationwide, and it is certainly a challenge that could not possibly have been envisioned when this Board began serving the public in 1901.

I am pleased to tell you that we are constantly improving our technology here at the Board. Our Web page at www.dca.ca.gov/cba is visited by thousands of individuals each month, and new information is constantly posted and updated. For licensees, the entire text of the Accountancy Act, a link to Accountancy Regulations, and a current list of Board-approved professional conduct and ethics courses are available. For consumers, a tip sheet titled, "Selecting a CPA" is posted. Please see the article on page 4 of this publication for additional information about our Web site.

As we proceed through the year, focusing on our mission of consumer protection, communicating with you — the licensee — will be an ongoing responsibility and priority. Keeping you apprised of current and emerging

issues, as well as changes in statutes and regulations and current continuing education requirements helps ensure more competent practice which, in turn, leads to better protection of the public.

I look forward to meeting the challenges that are on the horizon, aided by my fellow Board members, committee members, and the staff of the Board. As I said earlier, since 1901, this Board's mandate has been clear. Gifted with the technology the Information Age has engendered, if responsibly employed, these new electronic tools will enable us to meet our mission more effectively than ever.



H.E. Mikkelsen, CPA
President

Vision Statement

It is the vision of the Board of Accountancy to become the premier regulatory agency that operates with maximum efficiency, fosters continuous quality improvement, and provides exemplary consumer protection while recognizing the changing consumer demographics and nature of services provided by licensed professionals.

News to You

*Issues of Interest
to the Consumer
and
to the Practitioner*

Upcoming Change in Continuing Education Requirements

The Board adopted a recommendation at its January 26, 1999, meeting to limit the continuing education (CE) credit licensees can receive for personal development and general computer courses. Licensees will be allowed to receive no more than 40 hours of credit per renewal cycle for courses in these subject areas. A regulation notice to implement this recommendation will be published in a future issue of **UPDATE**.

The recommendation was the result of a comprehensive study of continuing education completed by the Board to meet the requirements for Sunset Review and the objectives of its strategic plan. The CE study found that most licensees believe the current 80 hour continuing education requirement is appropriate, and they take courses directly related to the practice of public accountancy. It is anticipated the regulation will affect the approximately eight percent of licensees who fulfill the continuing education requirement mostly or entirely by taking courses in personal development or general computer subjects.

Commission Regulations Now in Effect

The Board's regulations specifying disclosure requirements for licensees accepting commissions went into effect January 7, 1999. The text of these regulations and other information about accepting commissions are available on the Board's web site, www.dca.ca.gov/cba. See page 4 for more information about the latest additions to our Web site.

New Law on Name Styles

Senate Bill 2239, enacted in 1998 (Chapter 878), changed the Board's laws related to name styles and firm registration. This bill revised Section 5060 of the Accountancy Act to state that no firm may practice public accountancy under a name that is false or misleading. Revised regulations are being developed to implement the new law.

Until the regulations are in place, as a result of discussions at the January 25, 1999, meeting of the Board's Committee on Professional Conduct, the following general guidance is provided regarding name styles that may be considered false or misleading:

- The use of a person's name in a name style when he or she is not and has never been a partner or shareholder in the firm.
- The sole use of a non-licensee owner's name in the firm name.
- The use of the plural designation (CPAs or PAs) by a sole practitioner or sole shareholder corporation that does not employ any licensees.
- The use of the same name as another firm's.
- The use of a revoked licensee's name in the firm's name.

Status Report on the UAA

The Board is actively participating in discussions of the Uniform Accountancy Act (UAA) on the national level and is working to identify and resolve practical and administrative concerns that could be a barrier to UAA implementation. As part of this effort, the Board's Sunset Review Committee adopted the recommendation at its January 25, 1999, meeting to continue the current approach to regulation, but also to move in the direction of the UAA in an expeditious manner.



You are welcome to visit us at the Board of Accountancy informational Web site. Since its introduction in March 1998, our Web site has grown to 15 pages and since June 1998 has averaged 9,247 "hits" (visitors) per month. Our site features information of interest to the consumer, the practitioner, and the candidate.

A new page, *Accepting Commissions*, has been added to include the actual "commission regulations," as well as links to other Web sites containing related information. The Accountancy Act page now includes a link through the Office of Administrative Law to all of the Accountancy Regulations.

In addition, our other pages have been updated to include the latest information regarding currently approved professional conduct and ethics courses, how a consumer may file a complaint, a tip sheet for consumers on selecting a CPA or a PA, Board and committee meeting schedules, and a Board telephone directory.

We are also pleased to announce that we now have a full-time Web page master, Ms. Holly Hansen. She will coordinate page updates, develop additional information pages, ensure that links to and from our site are kept current, work with contractors to develop interactive pages, and track our

Web e-mail requests.

Comments and suggestions can be addressed to her at pagemaster@cba.ca.gov.

Enhancements anticipated this year include the addition of examination information, with an interactive application form, the ability to conduct an on-line license status check, and additional Board forms in a format that can be downloaded and printed from our Web site.

We invite you to "surf" on over and take a look around our Web site. ❖

Policy of Nondiscrimination on the Basis of Disability and Equal Employment Opportunity

The California Board of Accountancy does not discriminate on the basis of disability in employment or in the admission and access to its programs and activities.

An Americans with Disabilities Act (ADA) Coordinator has been designated to coordinate and carry out this agency's compliance with the nondiscrimination requirements of Title II of the ADA. Information concerning the provisions of the ADA, and the rights provided thereunder, is available from:

ADA Coordinator
California Board of Accountancy
2000 Evergreen Street, Suite 250
Sacramento, California 95815-3832

Contributors to this Edition of *UPDATE*

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Fingerprinting – One Year Later

January 1, 1999, marked a one-year milestone for the Board's Licensure Program. That is because on January 1, 1998, the Board implemented a fingerprint requirement for all applicants applying for the California Certified Public Accountant license, as required by the Accountancy Act (Section 144 of the Business and Professions Code).

**2348 Sets of Fingerprint Cards
Were Received in 1998.**

Applicants must submit a processing fee of \$56, accompanied by two completed Applicant Fingerprint Cards (Department of Justice Form BID-7). No other type of fingerprint card is accepted. Applicants may contact the Board to request the CPA licensure packet or a set of fingerprint cards. Both packets include a set of two fingerprint cards, information about the fingerprint requirements, and complete instructions. Applicants who pass the CPA exam will automatically receive a CPA licensure packet with two fingerprint cards.

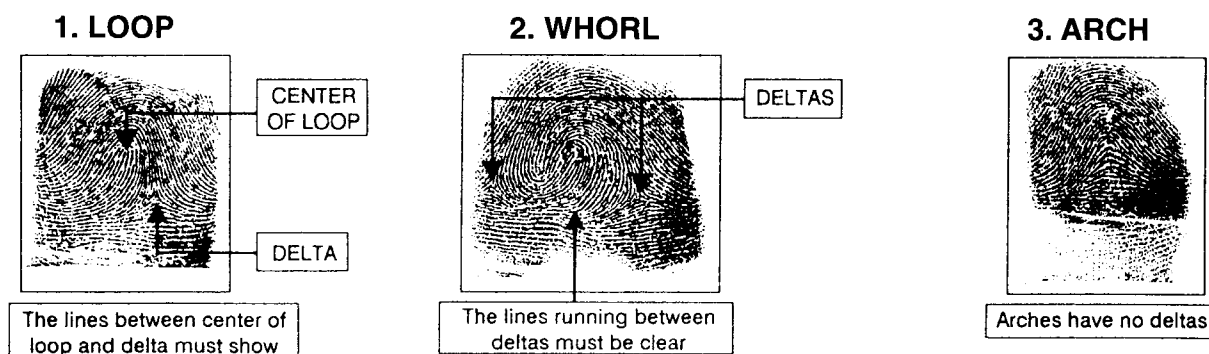
It is the applicant's responsibility to utilize a qualified technician trained in fingerprinting techniques. The quality of the fingerprint impressions submitted is critical. Poor quality fingerprint impressions will cause fingerprint cards to be rejected because the impressions will not have the clarity necessary for identification purposes.

**Rejected Fingerprint Cards in 1998
Department of Justice – 105
Federal Bureau of Investigation – 219**

If fingerprint cards are rejected, the applicant must be reprinted, delaying the licensing process. Possible causes for rejected fingerprint impressions include the following:

- Fingers are not fully rolled (nail to nail).
- Impressions are blurred or smudged.
- Too much ink or insufficient ink.
- Fingerprint impressions are not centered.

It is important for the applicant to examine each fingerprint impression to ascertain if it can be fully classified. The following samples are provided for illustration:



When the Board receives the two completed fingerprint cards, they are reviewed for deficiencies. Possible deficiencies include the following:

- No fee enclosed with the cards.
- Signature of person fingerprinted is missing.
- Submission of only one fingerprint card.
- Submission of incorrect fingerprint card(s).

(Please see Fingerprinting, continued on page 6)

If no deficiencies are found, the information from the fingerprint card is entered into the Board's fingerprint database. The information is then forwarded to the Department of Justice and the Federal Bureau of Investigation to check for criminal history – not only in California, but throughout the United States.

Criminal history checks are carefully reviewed and evaluated for convictions substantially related to the

public accounting profession. This information is a key factor in determining whether to approve or deny a license.

Due to the time required to conduct the criminal history check, applicants are encouraged to submit completed print cards at least four months prior to meeting the licensing requirements. Fingerprint cards and the \$56 processing fee must be mailed to the

23 Criminal History Records Were Received in 1998.

Board of Accountancy. Questions regarding the Board's fingerprint program may be directed to Ms. Lindy Wilson, Fingerprint Analyst, at (916) 263-3696. ❖

158 Fingerprint Cards Were Returned to Applicants Due to Deficiencies.

A Profile of the November 1998 Uniform CPA Examination

Each year, the Board administers the CPA Examination in May and November at four regional sites: Pleasanton, Pomona, Sacramento, and San Diego. Currently, the Board is preparing to administer the May 1999 Examination, and it has completed the statistical profile for the November 1998 Examination.

The November 1998 Uniform CPA Examination was held on November 4-5 at the four sites. While 8,737 candidates were approved and scheduled to take the November Examination, a total of 7,389 candidates actually sat for the exam. Included in this number are 105 courtesy candidates, residents of other states who wished to be proctored in California.

Board statistics show that 1,398 candidates established conditional credit during the November 1998 Examination, and 332 candidates passed all four parts of the Examination in one sitting.

As always, proctors who are trained and skilled in administering the Examination assist the Board's staff. For the November 1998 exam, 415 proctors were hired: 92 proctors for the Pleasanton site, 206 proctors for the Pomona site, 52 proctors for the Sacramento site, and 65 proctors for the San Diego site.

The proctors assist in many key tasks: verifying candidates' identification, seating candidates, providing security in various areas of the testing facility, and dissemination of examination instructions to all candidates. The proctors also are responsible for the distribution, collection, and the security of the examination materials. Because of the nondisclosed nature of the CPA Examination, and the strict security maintained during the Exam, all proctors are required to read and sign a proctor agreement and confidentiality statement.

To ensure the highest level of security before and after the exam, the AICPA contracts with Brinks Security for shipment of examination materials. Immediately after the Examination is completed, test booklets are shipped to the AICPA for grading.

To assist CPA Examination candidates, the Board publishes an *Information for CPA Candidates* brochure, which details education requirements, examination format, and other information for candidates. This publication is available to candidates, licensees, and the consumer public, and it can be obtained by telephoning Ms. Liza Walker, Exam Coordinator, at (916) 263-3951, or by faxing a request to (916) 263-3676. ❖

Management Analysis of 1997-98 Year-End Fiscal Condition

The Board has continued its strategy of reducing the Accountancy Fund reserve to mandated levels, through a constriction of revenues flowing into the Fund. The effectiveness of managing receipts to induce shrinkage in the Accountancy Fund reserve continues to be reflected in significantly lower revenues in fiscal years, following the license fee's reduction to the \$100 level. The Board's implementation of the \$100 license fee level has been in place for two full fiscal years (1996-97 and 1997-98).

Revenues

In fiscal year 1995-96, prior to the \$100 license fee strategy, renewal revenues totaled \$4,987,633. Financial data for fiscal year 1997-98 indicates renewal revenues of only \$2,917,612. It is anticipated that renewal revenues will drop even further in fiscal year 1998-99, with the implementation of the temporary \$50 license fee level.

Fiscal year 1997-98 ended with reduced receipts in nearly every revenue category, when compared to the previous fiscal year. The only exception was in the area of Cost Recovery, which increased from \$136,696 to \$154,805. In total, revenues dropped by 8.2% from the preceding fiscal year, after discounting fiscal year 1996-97 receipts for a repayment made to the Accountancy Fund for monies borrowed by the General Fund in fiscal year 1993-94.

Comparing fiscal year 1997-98 *budgeted* revenues to the amounts *actually received* discloses a 6.3% shortfall in receipts for the year. This shortfall can be attributed to two main occurrences. The number of exams scheduled in fiscal year 1997-98 totaled only 15,175 compared to the 16,218 scheduled in the preceding fiscal year. This drop in scheduled examinations results in a \$156,205 reduction in examination fees received by the Board. Additionally, the number of new licenses issued declined significantly — 2,094 new licenses were issued in fiscal year 1997-98 versus 2,392 in fiscal year 1996-97.

Reserve Fund Level

Responsible management of expenditures, coupled with a decline in revenues during fiscal year 1997-98 resulted in a notable impact on the Accountancy Fund reserve. Whereas at the end of fiscal year 1996-97 the reserve reflected 12.6 "months in reserve," the number of months in reserve dropped to 8.6 at the end of fiscal year 1997-98. This decrease clearly demonstrates the effectiveness of the Board's strategy to reduce the reserve through adjustment of license fees. It should be noted, however, that the effectiveness of the Board's reserve reduction actions will be affected by anticipated General Fund repayments totalling \$5 million that are to be received over the next three fiscal years. ❖

Each issue of **UPDATE** contains important information about the public accounting profession, including notices of proposed hearings on regulation changes, Board and committee meetings, proposed new regulatory language, and topical information about enforcement, examination, licensure, and continuing education issues. For ease of reference, we suggest that after you receive and read **UPDATE**, you place these issues in your professional library.

information . . . information . . . information

Fulfilling Your PC&E Course Requirement

Since January 1, 1998, Professional Conduct and Ethics (PC&E) continuing education has been required for all practitioner license renewals. This eight-hour course provides information on the provisions of the current Accountancy Act, the Board of Accountancy regulations, and other rules of professional conduct.

The completion of the PC&E requirement is being phased in over a six-year period. According to the timetable, one-third of the licensee population will meet the requirement in a specified two-year period, based upon the last two digits of the CPA/PA license number. Currently, practitioners whose license numbers end in the "01-33" range are

required to have completed the initial PC&E course by their license renewal date in 1998 or 1999. The next licensee group's license number ends in the "34-66" range, and they must meet the PC&E requirement by their license renewal date in 2000 or 2001, as applicable. The third licensee group's license number ends in the "67-00" range, and they must meet the PC&E requirement by their license renewal date in 2002 or 2003, as applicable.

Please remember that only Board-approved courses satisfy the requirement. Both classroom and self-study formats have been approved.

Current Board-Approved PC&E Course List

(Call Sponsors for Course Schedules)

Course Title	Sponsor	For Information	
Live Presentation Courses:			
1) Professional Ethics Review			
2) Ethics, GAAP & Financial Reporting	California CPA Education Foundation	Phone/Fax	(800) 922-5272
Ethics for CPAs	Financial Education Resources		(310) 202-1669
		Fax	(310) 202-6815
Professional Conduct & Ethics	CSU, Los Angeles	Peggy Neiman	(323) 343-4921
Professional Conduct & Ethics for Accountants	UCSD Extended Studies	Charlene Boyl	(619) 534-3434
Guidebook to California Accountancy Law: Practicing Within the Rules	Super CPA Alliance Educational Foundation		(888) 747-4CPA
		Fax	(310) 559-5992
Professional Ethics	Gear Up, Inc.		(800) 231-1860
		Fax	(800) 213-8495
Ethics & Professional Conduct for California CPAs	Professional Education Services		(800) 990-2731
		Fax	(916) 791-4099
Professional Conduct & Ethics: Beyond Sex, Lies & Videotape	Art Berkowitz Seminars		(800) 995-8610
		Fax	(949) 360-4018
	(Also, Spidell Publishing, Inc.)		(714) 776-7850
		Fax	(714) 776-9906
Conduct and Ethics Requirements for Government A&A Professionals	Charles W. Hester, CPA		(503) 375-3915
		Fax	(503) 375-3849
Self-Study Courses:			
1) Professional Ethics Review			
2) Ethics, GAAP and Financial Reporting	California CPA Education Foundation	Phone/Fax	(800) 922-5272
3) Professional Ethics for CPAs (1998)			
Ethics and Professional Conduct for California CPAs	Professional Education Services		(800) 990-2731
		Fax	(916) 791-4099
Professional Ethics	Gear Up, Inc.		(800) 231-1860
		Fax	(800) 213-8495
Professional Ethics	CPE Resource		(916) 774-0636

A current list of Board-approved courses is also available on the Board's Web site at www.dca.ca.gov/cba. As courses are approved, they are added to the Web site list. ♦

Your Corporation Renewal Cycle has Changed

In May 1999, the Board will begin mailing automated renewal notices to corporations which were initially licensed in July of an odd year. In the past, all corporations renewed by June 30 of an even year; however, corporations will now renew on a monthly basis, according to the month and year the firm's license was originally approved. This means that if a firm was approved in an odd-numbered year, the license expires in an odd year; if approved in an even year, the license will expire in an even year.

This process will complete the implementation phase for automating corporation renewals, a procedure that began in July of 1998. With this latest migration of corporation renewals to a biennial basis, consistency in the renewal process has now been established for all license classes (individuals, corporations, and partnerships).

In processing a corporation renewal, approximately three to six weeks after the renewal has been received by the Board, a renewal receipt reflecting the firm's new expiration date will be mailed to the firm. The expiration date will remain with the corporation through the life of the firm.

If you have not received your corporation renewal or have any questions, please contact Ms. Dottie Hays at (916) 263-3944 or Mr. Lance Taber at (916) 263-3948. ❖

Retiring the "Retired" Seal

Effective January 1, 1999, the Board will no longer issue retired seals. This is because Section 5070.1 of the Business and Professions Code regarding the issuance of a retired seal and the use of the designation "Retired Certified Public Accountant" or "Retired Public Accountant" has been repealed. This law was often confusing to licensees and the consumer who may have perceived the retired seal as a separate form of licensure.

Under current law, a retiree may continue to display the certificate, provided the license is not suspended or revoked. Retirees also may use the CPA or PA designation in a social context (with or without the word "retired"). However, retirees cannot use the CPA or PA designation and perform, or offer to perform, any activity defined as the practice of public accounting by Business and Professions Code, Section 5051.

In addition, under current law, licensees no longer need apply for retired status and pay a fee. If an individual intends to retire and no longer practice public accounting, he or she can simply let the license expire. Remember, an expired license may be renewed any time up to five years after the license expiration date; however, all past renewal and delinquent fees must be paid to reactivate the license. If renewing active, the continuing education requirements for the current period must be completed. If a license is not renewed within five years following its expiration date, the license is canceled.

Questions regarding retired status should be directed to Ms. Debi Garcia at (916) 263-3695. ❖

Disciplinary Actions

The disciplinary process has many steps. When a complaint is received by the Board, a thorough investigation is conducted under the auspices of the Board's Administrative Committee. Information regarding a complaint generally is gathered by staff Investigative CPAs, often accompanied by a licensee's appearance before the Administrative Committee. In some cases, information is gathered by the Department of Consumer Affairs' Division of Investigation. Following the investigation and review by the Administrative Committee, a recommendation is made either to close the case for lack of evidence, or to refer the matter to the Attorney General for review and preparation of an Accusation against the licensee.

If charges are filed against a licensee, a hearing is held before an independent administrative law judge, who submits a proposed decision to be considered by the Board of Accountancy. The Board either may accept the proposed decision or decide the matter itself. In many instances, licensees enter into a stipulated disciplinary settlement agreement with the Board, in lieu of going to a hearing.

You may request a copy of the Accusation and Decision regarding any of these disciplinary actions by sending a written request to the Board office, Attention: Disciplinary Actions. You must state the licensee's name and license number. Please allow approximately three weeks for receipt.

Disciplinary Terminology

Effective Decision Date

The date the disciplinary action goes into operation.

Probation

The licensee may continue to practice under specific terms and conditions.

Revocation or Revoked

The right to practice is ended.

Stayed

The revocation or suspension is postponed.

Suspension

The licensee is prohibited from practicing for a specified period of time.

Surrender of License

The licensee turns in the license while charges are still pending. The right to practice is ended. Surrender also may require certain conditions to be met should the practitioner ever choose to reapply for licensure.

Board Actions 12/23/98 Through 3/4/99

Revocation of CPA Certificate

Name	Cause for Discipline	Code Violation(s)
CASEY, KENNETH J. San Rafael, CA (CPA 24836) (COR 3602) Revocation of CPA Certificate, via stipulated settlement. Effective January 6, 1999	Mr. Casey was convicted by a plea of guilty before the United States District Court to 53 counts of tax and bank fraud, which he failed to report to the Board of Accountancy. Respondent, while doing business as Kenneth J. Casey, an Accountancy Corporation, knowingly prepared false income tax returns for clients, different from those filed with the Internal Revenue Service, and he submitted the false income tax returns to clients' banks in connection with loan applications.	Business and Professions Code, Division 3, Chapter 1, §§ 5063 and 5100 (a) and (i).
HAMILTON, MOODY San Diego, CA (CPA 1890) Revocation of CPA Certificate, via stipulated settlement. Effective January 8, 1999	<p>Respondent admitted he subjected his license to disciplinary action on the grounds of unprofessional conduct in that on or about January 26, 1998, he was convicted by a San Diego Judicial District Court of a felony, grand theft.</p> <p>Mr. Hamilton admitted the circumstances surrounding the conviction are substantially related to the qualifications, functions, and duties of a Certified Public Accountant or Public Accountant. Respondent converted approximately \$540,000 to his personal use.</p> <p>Mr. Hamilton also admitted he subjected his license to disciplinary action in that during the period June 26, 1991, through July 14, 1992, he made unexplained withdrawals from a client trust totaling \$245,650. Respondent agreed to make restitution to the client's trust.</p>	Business and Professions Code, Division 3, Chapter 1, §§ 5100 (a),(h),(i), and (j) and 490.
HILL, ROBERT F. Visalia, CA (CPA 32900) Revocation of CPA Certificate, via default decision. Effective December 23, 1998	Mr. Hill solicited and obtained investments for at least four clients in real estate ventures that he represented were safe and viable investments. Based on the Respondent's representation, the four clients invested approximately \$500,000 which he used for his own purpose and benefit. Respondent practiced public accountancy and used the title of CPA during a period in which his license was expired. Mr. Hill also falsely signed a statement under penalty of perjury that he had completed the requisite number of continuing education hours for his prior renewal period.	Business and Professions Code, Division 3, Chapter 1, §§ 5050, 5100 (c), (f), (h), (i), and (j), and 5121. California Code of Regulations, Title 16, Division 1, §§ 57, 87, 89, and 94.

(Continued on page 12)

*Disciplinary Actions**(Continued from page 11)*

Board Actions 12/23/98 Through 3/4/99

Revocation of CPA Certificate

Name	Cause for Discipline	Code Violation(s)
KELLY, GREGORY J. Saratoga, CA (CPA 52926) Revocation of CPA Certificate, via default decision. Effective January 6, 1999	Mr. Kelly prepared a review report that contained reporting deficiencies; used the plural designation "certified public accountants" while practicing as a sole practitioner; and failed to make payments to reimburse the Board for investigation and prosecution costs pursuant to Stipulation in Settlement AC-96-6.	Business and Professions Code, Division 3, Chapter 1, §§ 5100 (f) and 5062. California Code of Regulations, Title 16, Division 1, §§ 58 and 66.
LEVINE, PAUL Los Angeles, CA (CPA 15986) Revocation of CPA Certificate, via default decision. Effective March 4, 1999	Respondent failed to comply with a citation that was issued on or about January 13, 1998. As a result, Respondent's certificate is subject to discipline for unprofessional conduct.	Business and Professions Code, Division 3, Chapter 1, § 5100 (f).
LUNDBLAD, GERALD THOMAS Sacramento, CA (CPA 35462) Revocation of CPA Certificate, via default decision. Effective January 6, 1999	While on probation, Mr. Lundblad violated the terms of his probation in that he failed to do the following: take and pass a Board-approved ethics course; pay four quarterly payments of \$658 each; submit five quarterly reports; appear before the Administrative Committee on April 23, 1998; and cooperate with the Board of Accountancy.	Business and Professions Code, Division 3, Chapter 1, § 5100 (c).
PAXTON, LARRY E. Visalia, CA (CPA 14874) Revocation of CPA Certificate, via stipulated settlement. Effective March 4, 1999	Respondent was convicted by the court on his plea of no contest in the Tulare County Municipal Court District of one felony count of violating Penal Code § 487 (a) grand theft by embezzlement, and ten felony counts of violating Penal Code § 475 (a), possessing completed checks with intent to defraud. These offenses are substantially related to the practice of public accountancy.	Business and Professions Code, Division 3, Chapter 1, § 5100 (a).
PENDLETON, DAVID L. Costa Mesa, CA (CPA 23963) Revocation of CPA Certificate, via default decision. Effective January 6, 1999	<p>Mr. Pendleton was responsible for a client's trust account and was to pay all of the client's expenses from that account. Respondent embezzled \$84,450 from this client's trust account and failed to pay the client's mortgage and property taxes totaling \$31,620. In addition, Respondent provided the client with false cash flow statements.</p> <p>Furthermore, Mr. Pendleton practiced public accountancy and used the title of CPA during a period in which his license was expired and failed to notify the Board of Accountancy in writing of his change of address.</p>	Business and Professions Code, Division 3, Chapter 1, §§ 5050, 5055, 5100 (a), (h), (i), and (j). California Code of Regulations, Title 16, Division 1, § 3.

(Continued on page 13)

Other Board Actions

(Continued from page 12)

Other Board Disciplinary Actions 12/23/98 Through 3/4/99

Name	Cause for Board Action	Code Violation(s)
CRESTOL, LAURENCE H. Woodland Hills, CA (CPA 28020) Revocation stayed with three years' probation, via stipulated settlement. Effective March 4, 1999	Mr. Crestol admits he advised clients that they could defer the taxable gain from the sale of their principal residence by purchasing a home intended as a residence for their son and thereby qualify for a "rollover" of the taxable gain under IRC § 1034. The Accusation charges that Respondent knew his clients had no intention of living in their son's home, which at the time would have made them ineligible for the rollover.	Business and Professions Code, Division 3, Chapter 1, § 5100.
MILLER, BONNIE M./BONNIE MILLER ACCOUNTANCY CORPORATION Santa Clara, CA (CAP 26659) (COR 3818) Surrender of CPA Certificates, via stipulated settlement. Effective March 4, 1999	Respondents Bonnie M. Miller and Bonnie Miller Accountancy Corporation agree to the surrender of their licenses, and wish not to contest the charges contained in the Board's Accusation. The Accusation alleged that Ms. Miller, while acting as trustee, withdrew client funds held in a real estate exchange trust totaling \$35,000 and she disbursed the trust monies for her own use. The Accusation also alleges that Bonnie M. Miller was delinquent in remitting taxes due from the exchange transaction for a period of 18 months.	Business and Professions Code, Division 3, Chapter 1, § 5100 (c), 5100 (h), 5100 (j), and 5150.

Appeal of Citation and Fine Before an Administrative Law Judge

Name	Cause for Board Action	Code Citation(s)
DEGREGORIO, PAUL J. Oakland, CA (CPA 42517) Citation sustained, Mr. DeGregorio was fined \$1250, via proposed decision. Effective January 6, 1999	Mr. DeGregorio engaged in the practice of public accountancy without a valid permit. In addition, he represented himself as "DeGregorio & Co., CPAs" while practicing as an individual practitioner.	Business and Professions Code, Division 3, Chapter 1, § 5050. California Code of Regulations, Title 16, Division 1, § 66.

Future Board Meetings

March 19-20, 1999
Wyndham Garden Hotel
5990 Green Valley Circle
Culver City, California 90230

May 13-14, 1999
Radisson Miyako Hotel
1625 Post Street
San Francisco, California 94115

July 15-16, 1999
U. S. Grant Hotel
326 Broadway
San Diego, California 92101

September 16-17, 1999
Continental Plaza – LAX
9750 Airport Boulevard
Los Angeles, California 90045

November 18-19, 1999
Radisson Miyako Hotel
1625 Post Street
San Francisco, California 94115

*Board meetings are open to the public.
Licensees are encouraged to attend.
For further information, please call the Board
office at (916) 263-3680*

Administrative Committee

April 22, 1999
Radisson Miyako Hotel
1625 Post Street
San Francisco, California 94115

June 24, 1999
Courtyard Marriott
500 East First Street
Long Beach, California 90802

August 26, 1999
Radisson Miyako Hotel
1625 Post Street
San Francisco, California 94115

November 3-4, 1999
Radisson Hotel Harbor View
1646 Front Street
San Diego, California 92101

Report Quality Monitoring Committee

May 18, 1999
Board of Accountancy
2000 Evergreen Street, Suite 250
Sacramento, California 95815

September 1, 1999
Burbank Airport Hilton
2500 Hollywood Way
Burbank, California 91505

Qualifications Committee

April 28-29, 1999
Wyndham Garden Hotel
5990 Green Valley Circle
Culver City, California 90230

June 23-24, 1999
Radisson Miyako Hotel
1625 Post Street
San Francisco, California 94115

Qualifications Committee (Cont'd)

August 25-26, 1999
Double Tree Hotel
Orange County Airport
3050 Bristol Street
Costa Mesa, California 92626

October 20-21, 1999
Hanalai Hotel San Diego
2270 Hotel Circle North
San Diego, California 92108

January 12-13, 2000
Radisson Miyako Hotel
1625 Post Street
San Francisco, California 94115

Future Committee Meetings

Address *Change* Form

Please *Print* only one character per space — maximum 30 characters per line. *A separate change of address form must be submitted for each license type.*

Individual (CPA/PA) ☐ Partnership ☐ Corporation ☐ License Number _____

Name of Licensee

A horizontal bar divided into 20 equal segments. The first segment is labeled 'Last', the 10th segment is labeled 'First', and the 19th segment is labeled 'Middle'.

or

Name of Firm

[illegible]

Address of Record

Be advised that your address of record is public information, and all Board correspondence will be sent to this address.

Business Name (if different from name above)

Street Apt. or Suite #

Home ☐ Business ☐
(check one)

Other Address

*Complete this section
only when the address of
record is a mail drop or a
Post Office Box.*

Street

Apt. or Suite #

Home ☐ Business ☐
(check one)

Daytime Phone --
Area Code

Date of Birth
Mo. Day Year

I certify the truth and accuracy of all of these statements and representations.

Signature of Licensee,
Licensed Partner, or
Licensed Shareholder

Date _____

Print your name _____

A licensee who fails to notify the Board of Accountancy within 30 days of a change in his/her address of record may be subject to citation and fine (fines ranging from \$100–\$1,000) under the California Code of Regulations, Title 16, Division 1, Sections 3 and 95.2.

The Board maintains a list of all licensees. This list is sold to requestors for mailing list purposes. Check here **only** if you do **not** want your name included on this list. ☐

Mail to: Board of Accountancy, 2000 Evergreen Street, Suite 250, Sacramento, CA 95815-3832 or
FAX to: (916) 263-3675

Board of Accountancy Telephone Directory

Board Office	(916) 263-3680
Renewal for CPA/PA, Partnerships, Corporations	(916) 263-3798 or 263-3799
Retired Status	(916) 263-3798 or 263-3799
Continuing Education	(916) 263-3935
Government Audit	(916) 263-3934
Licensing – Partnerships, Corporations, Fictitious Names	(916) 263-3948
Licensing – Reissuance—Individual:	
Last name begins with: A-He	(916) 263-3946
Hi-N	(916) 263-3945
O-Z	(916) 263-3947
Certifications	(916) 263-3949
General Examination Questions	(916) 263-3953 or 263-3958
Web Site Address	www.dca.ca.gov/cba

*If you have questions concerning the Ethics Exam,
please call the California Society of CPAs:*

<i>Main Office, Redwood City</i>	<i>(650) 802-2600</i>
<i>Glendale Office</i>	<i>(800) 922-5272</i>
<i>Sacramento Office</i>	<i>(916) 441-5351</i>

Department of Consumer Affairs
California Board of Accountancy
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